

## SHREE HARI CHEMICALS EXPORT LIMITED

TRANSCRIPT OF THE PROCEEDINGS OF THE EXTRA ORDINARY GENERAL MEETING OF SHREE HARI CHEMICALS EXPORT LIMITED HELD THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM) ON FRIDAY, MARCH 19, 2021 AT 11.30 A.M.

### PRESENT:

Shri Bankesh Chandra Agrawal	- Chairman & Managing Director/ Member
Shri Sarthak Agarwal	- Whole-time Director/Member
Shri Nihit Agarwal	- Whole- time Director/Member
Shri Sanjay Kedia	- Whole-time Director and CFO
Shri Vrijanand Gupta	- Independent Director (Also authorised to attend on behalf of Smt. Ekta Sultania, Chairperson of Audit Committee, SRC & NRC)
Shri Parag Agrawal	- Independent Director
Shri Kishor Kharat	- Independent Director

Ms. Urvashi Pandya, Company Secretary

Mr. G.D. Singhvi- Representative of Statutory Auditor  
Ms. Anuja Parikh- Representative of Secretarial Auditor  
Ms. Shalini Bhat- Scrutinizer

23 members attended the meeting through VC.

### CHAIRMAN

Shri Bankesh Chandra Agrawal, Chairman of the Board of Directors, occupied the Chair.

### Shri Bankesh Chandra Agrawal, Chairman: DECLARATION OF THE MEETING AS OPEN

Good Morning to one and all. I hope you all are safe and in good health. It gives me an immense pleasure to extend a warm welcome to all of you to the Extra Ordinary General Meeting of your Company.

To start, I would like to pray Lord Ganesha by chanting his Mantra, "Vakratunda Mahakaya, Surya Koti Sama Prabha, Nirvighnam Kuru Me Deva, Sarva Karyesu Sarvada."

On behalf of the Board of Directors, I sincerely thank the shareholders for their continuous support and trust in the Company which have been the vital fuel in our unstopping journey of steady growth and improvement. I would like to further state that this meeting is being conducted through Video Conferencing (VC) or Other Audio Visual Means (OAVM) as per the guidelines issued by the Ministry of Corporate Affairs and SEBI.

In line with the Circulars issued by MCA and SEBI, the Notice of the EGM was sent to all the shareholders of the Company. The Notice convening the EGM was also uploaded on the website of the Company and is accessible on the websites of BSE and NSDL.

I wish to inform the members that in case of any technology related challenges and I am unable to continue to participate in this Meeting, any other Director who is able to continue would preside over the meeting.

I would now like to introduce the directors present at this meeting through video conferencing,

Shri Sarthak Agarwal - Whole-time Director  
Shri Nihit Agarwal- Whole-time Director  
Shri Sanjay Kedia- Whole-time Director and CFO  
Shri Parag Agrawal- Independent Director  
Shri Vrijanand Gupta -Independent Director  
Shri Kishor Kharat – Independent Director  
Ms. Urvashi Pandya- Company Secretary

Smt. Ekta Sultania, could not attend the meeting due to pre-occupation.

I would further like to state that the authorized representative of our statutory auditors M/s. G. D. Singhvi & Company, our secretarial auditor M/s Parikh and Associates and scrutinizer Ms. Shalini Bhat of Parikh and Associates are also present in the meeting through video conferencing.

Participation of members through video conference is being reckoned for the purpose of quorum as per the Companies Act, 2013 and circulars issued by MCA. The requisite quorum is present through video conference to conduct the proceedings of this meeting.

The quorum being present, I call this meeting to order.

#### **NOTICE OF THE MEETING**

This EGM being held through video conference in accordance with the Companies Act 2013 and circulars issued by the MCA and SEBI, facility to join this meeting through video conferencing is made available for the members on a first-come-first-served basis.

As the EGM is held through video conference, the facility for appointment of proxies by the members is not applicable and hence the inspection of proxy register is not available.

The Company has received 3 speakers' requests that is from Shri Keshav Garg, Shri Girish Gupta and Shri Dnyaneshwar Bhagwat.

I shall now invite to Shri Keshav Garg to speak. Now I request the Moderator to unmute Shri Keshav Garg.

*Shri Keshav Garg* : First of all, very Good Morning, I hope that you and the whole team is in good health and continue to be so. Sir, I just wanted to understand very quickly, that in year 2014 and 2015, we had a great years, company made operating profits of Rs. 18 Cr in FY 2014 and Rs. 50 Cr in FY 2015. I understand may be H-Acid prices were very high at that time and subsequently they went down so we also, our performance declined. Now, basically what is the outlook, now since past 4 to 5 years prices have been down, so is there is likelihood or are you expecting prices again to go up and we might again achieve similar performance that we did in last 5, 6 years back. That is the basic thing. Also, what are the capex plans for next few years. Also we are a debt free company and we have around Rs. 14 to 15 Cr cash and our market capitalization is 30 Crores, so if you could spend some of this cash in doing a share buyback, then our share capital will reduce and promoter shareholding will also increase. So you can consider that. Thank you very much and best of luck Sir.

**Shri Bankesh Chandra Agrawal:** Thank You Mr. Keshav. I do have your questions for which I have to reply.

- 1.) What is the outlook for Q4FY21 & FY22 in terms of topline & bottomline - ?
- 2.) How much revenue can we generate at full production capacity - ?

Reply1 & 2 : It is difficult to predict anything completely, everything depends on the market situation. Hopefully things could be better in coming times that we can hope for.

- 3.) What are your capex plans for the next few years - ?

Reply 3: Definitely we have reserves with us and if the things improve we can think about that but all will depends on the situations, how it improves in the coming years.

Now, I would now invite Shri Girish Gupta to speak. I request the Moderator to unmute Shri Girish Gupta.

**Shri Girish Gupta:** Good Morning Sir. I have already sent a query list to you. If you allow me, I will repeat the queries I have asked to you.

**Shri Bankesh Chandra Agrawal:** It is with me. I can reply your questions. Your queries are already with me. Should I go?

**Shri Girish Gupta:** If can You can reply or I will repeat.

**Shri Bankesh Chandra Agrawal:** No need to repeat. I do have it. If you want to repeat for anybody else or others to understand than it is ok you can repeat otherwise I can reply.

**Shri Girish Gupta:** It will take only 2 minutes that I will repeat. Last 5 to 6 years, other group companies multiplied their business, but you are very much lacking behind. What is the reason that we have to understand that is there any conflict between your promoter that Company not good so? What is the prospects of the Company in regarding future prospects? Also I have checked with BSE that you are continuously purchasing the shares from the market? There is uneven results in the company, there is no consistency, sometimes they are giving very good results, something they are not giving so results? And, last question is that you have disclosed in the BSE that you have purchased the shares from the other promoter at the price of Rs. 231, when the price is 30, is there any justification? This is my query.

**Shri Bankesh Chandra Agrawal:** Should I reply all questions one by one. I am giving the reply. Please listen carefully.

**Shri Girish Gupta:** It will be my pleasure if you reply queries one by one.

**Shri Bankesh Chandra Agrawal:**

1. Why is the company so lagging behind if you compare with your industry companies. In the last 5 to 6 years your industry peer companies multiplied their business, but your position is not so good as compared to the last 5 years.

Reply 1: It is possibly because the Company's operation in one product only. That could be the one reason because we are having one product and other my group members are having multiple products, that could be one of the reason of this variations in the years.

2. Is there any conflict between the previous promoter to whom you purchased the stake, therefore the company performance had been lagging behind?

Reply 2: Certainly not. No.

3. As there is change in the top level of the management, what we can expect from you regarding future prospects of the company, taking into account that the promoter is continuously purchasing the shares from the open market.
4. Why are the company results so uneven?

Reply 3 & 4: Because, If the market is favourable, there is always growth in the Company. So it affects on the results.. Being one product and if the market is good then definitely that product will pay good. So that is why the variations are there in between the years.

5. The company has very huge cash but continuous losses wipe out all cash in the books.
6. Today itself the company has approximated Rs.10 cr. How will the company use it either by distributing to shareholders or to do CAPEX/OPEX?

Reply 5 & 6: In this respect my reply is, we are doing continuous efforts for Company's growth and that could reflect in the coming years.

7. Why the promoter purchasing the other promoter stake i.e. inter promoter stake at a price 231 when market price is only Rs.30?
8. Please justify the hefty price you have paid to another promoter and share the justification/valuation report of such price paid.

Reply 7 & 8: The promoters of the Company have paid the price as per the parameters justifying the price as per SEBI Regulations. We expect the future prospects of the Company to be very good.

9. Please clarify the dividend policy of the company.

Reply 9: The Company has been paying the dividend in the past and expects to pay dividend in future also. That is our dividend policy.

I hope, I have given replies for all your queries. Thank you.

The last speaker Mr. Dnyaneshwar. I would invite him to speak and request the Moderator to unmute.

**NSDL support:** Sir, we are unable to identify Mr. Dnyaneshwar.

**Shri Bankesh Chandra Agrawal:** He might have not joined.

So, now thank you very much to all speakers. Now I once again thank you.

The Company had provided the facility to cast the votes electronically, on the resolution set forth in the Notice. Members who have not cast their votes and who are participating in this meeting will have an opportunity to cast their votes during the meeting through the e-voting system provided by NSDL. Members can click on the "Vote" tab on their screen to avail this feature. Members are requested to refer to instructions provided in the notice or appearing on the video conference page, for a seamless participation. In case members face any difficulty, they may reach out on the helpline numbers.

The Company has received 2 Corporate Representation for attending the meeting, in respect of 635700 Equity Shares representing 14.1% of the Equity Share Capital of the Company. As the Notice of this meeting is already circulated to all the members, I take the Notice convening the meeting as read.

I now move to the Resolution relating to:

**RECLASSIFICATION OF FEW OF THE 'PROMOTERS AND PROMOTER GROUP' SHAREHOLDERS OF THE COMPANY TO 'PUBLIC CATEGORY SHAREHOLDERS'(ORDINARY RESOLUTION)**

The agenda item of the Notice is taken up. Now, members may exercise e-voting. Members may note that the voting on the NSDL platform will continue to be available for the next 15 minutes. Therefore, members who have not cast their vote yet are requested to do so. The Board of Directors has appointed Ms. Shalini Bhat of Parikh & Associates, Practicing Company Secretaries, as the scrutinizer to supervise the e-voting process. Further, I hereby authorize the Company Secretary, to declare the result of the voting and place the results on the website of the Company at the earliest. The resolution, as set forth in the Notice, shall be deemed to be passed today subject to receipt of requisite number of votes.

We do await for 15 minutes and we will resume the meeting after 15 minutes. Thank You.

Hi everyone, once again.

Before I conclude, I would also like to thank other stakeholders – our clients and vendors– for their trust and support. I thank the governments, ministries and departments of the state that we operate in, for their continued support and also, I look forward for your continued trust and best wishes for the coming Holi Festival.

I now declare the proceedings of this Extra Ordinary General Meeting as closed.

Thank you

The meeting concluded at 12.02 p.m.